

BERNSTEIN LIEBHARD LLP

ATTORNEYS AT LAW

10 EAST 40TH STREET
NEW YORK, NEW YORK 10016

(212) 779-1414

FAX: (212) 779-3218

www.bernlieb.com

STANLEY D. BERNSTEIN
bernstein@bernlieb.com

February 5, 2015

BY HAND

The Honorable Alvin K. Hellerstein
Daniel Patrick Moynihan
United States Courthouse
500 Pearl Street
New York, NY 10007

Re: *State Teachers Retirement System of Ohio v. American Realty Capital Properties, Inc., et al.*, filed in Civil Action No. 1:14-cv-08659-AKH [Lead Case]

Dear Judge Hellerstein:

We and our co-counsel Berman DeValerio represent the State Teachers Retirement System of Ohio ("STRS Ohio") in the referenced action (the "Action"). We write to advise the Court that, in light of the February 3, 2015 letter from Steven J. Toll, counsel for the NYC Funds, informing the Court that the NYC Funds are no longer seeking a lead position in the Action, STRS Ohio is the only remaining movant seeking a representative role on the plaintiffs' committee the Court indicated should be formed,¹ and the only independent voice seeking to represent the shareholders of Cole Real Estate Investments Inc. ("Cole") who exchanged their shares in the merger with American Realty Capital Properties, Inc. (the "Cole Merger") and public pension funds with large losses.²

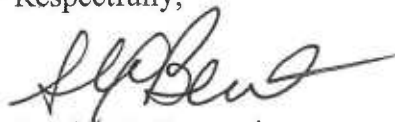
¹ At the January 5, 2015 hearing, Your Honor indicated that "there will have to be some kind of working group" or committee (Tr. 22; *see also* Tr. 24), comprised of "one person representing the [Cole] merger, the holders that became such through the merger," and an institution with "very large pension losses, for example, by New York City[]" (Tr. 28-29). Your Honor directed the lead plaintiff movants to file a complaint if they wanted a seat on the working group or committee. Tr. at 21 ("I would like a complaint from all movants. Whoever wants a piece of the action, give me your complaint. If you want to vie for being lead or on a committee of some sort, you want to have a say, then I want a complaint."). Pursuant to that direction and the Court's order of January 7, 2015 (Dkt. Nos. 68, 78), STRS Ohio filed a complaint to advance its right to seek a position on the plaintiffs' committee and to be heard at the status conference scheduled for February 10, 2015. Dkt. No. 85.

² STRS Ohio exchanged 770,000 Cole shares in the Cole Merger; the closest individual member of the NYC group, the New York City Police Pension Fund, exchanged 79,600 Cole shares in the Cole Merger.

Hon. Alvin K. Hellerstein
February 5, 2015
Page 2

We are available to answer any questions Your Honor may have regarding STRS Ohio and its pursuit of a representative role in the Action at the February 10, 2015 hearing.

Respectfully,

A handwritten signature in black ink, appearing to read "S.D. Bernstein", with a long horizontal flourish extending to the right.

Stanley D. Bernstein

cc: All counsel in all related actions (via ECF)

Additionally, the closest loss claimed by an individual public pension fund in the NYC group is the Teachers' Retirement System of the City of New York with a claimed loss of \$5,503,432. By contrast, STRS Ohio incurred a loss of \$6,778,116.